

1977

DEC 28 1977

**STATE OF MONTANA****DEPARTMENT OF AGRICULTURE
BOARD OF HAIL INSURANCE****W. Gordon McOmber
Director of Agriculture****Maurice Smith
Administrator****JAMES W. STEPHENS (CHAIRMAN)
DUTTON, MONTANA 59433****ADRIEN R. LONG
WOLF POINT, MONTANA 59201****THOMAS A. DEVENY
FORSYTH, MONTANA 59327****E. V. "SONNY" OMHOLT
STATE AUDITOR
HELENA, MONTANA 59601****Governor
Thomas L. Judge****BUSINESS SUMMARY FOR 1977**

Total Risk Written	\$10,692,679.21
Premium Charge	949,468.00
Losses Paid	335,896.47
Policies Issued	2,146
Acres Insured	970,757
Average Acres Insured Per Policy ..	452
Acres Reported Damaged	65,547
Losses Filed	299
Days With Hail	34
Loss Ratio	35.3%
Average Rate Charged	8.8%

**CAREFULLY STUDY THE STIPULATIONS
AND AGREEMENTS ON THE BACK
OF YOUR POLICY**

In case of a hail loss on your insured fields, take time to inspect your entire acreage so you will know where the loss is located. File a loss claim within the three day limit. Claims cannot be accepted that are filed without the claimant's signature or are filed later than two weeks after the loss occurred. If notice of the loss is not received within three (3) days the cost of the adjustment may, at the discretion of the Board, be charged to the claimant. Be sure to read the "Special Instructions" attached to your loss claim.

Please see that the acres and land description on your loss claim correspond to those on your policy.

Any agreements on adjusting must be cleared by writing the State Board of Hail Insurance, Helena, Montana. Adjusters are not authorized to make deals with the claimant.

In case a loss is located in more than one County, a loss claim must be filed for each County.

When the adjuster comes, accompany him over your fields so there will be no misunderstanding.

REPORT OF THE 1977 OPERATION OF THE STATE BOARD OF HAIL INSURANCE TO OUR GRAIN GROWERS

As required by Section 82-1519, R. C. M. 1947, and as a matter of information a report of the 1977 season is hereby submitted.

TOTAL RISK BY KINDS OF GRAIN—1977

Winter Wheat	\$ 5,763,093.00
Spring Wheat	3,209,860.00
Oats	85,530.80
Flax	4,920.00
Barley	1,423,115.41
Beans	330.00
Safflower	35,400.00
Durum	121,370.00
Mustard	6,276.00
Grass Seed	31,560.00
Grass Hay	4,920.00
Beets	1,250.00
Corn	2,486.00
Sunflowers	360.00
Speltz	1,908.00
Millet	84.00
Triticale	216.00
	\$10,692,679.21

TOTAL ACRES INSURED—1977

Winter Wheat	514,712
Spring Wheat	288,182
Oats	6,996
Flax	410
Barley	143,432
Beans	55
Safflower	2,982
Durum	11,254
Mustard	523
Grass Seed	1,315
Grass Hay	410
Beets	125
Corn	147
Sunflowers	30
Speltz	159
Millet	7
Triticale	18
	970,757

ACRES DAMAGED—1977

Winter Wheat	40,510
Spring Wheat	14,560
Oats	427
Barley	9,521
Safflower	257
Durum	190
Beans	55
Corn	27
	65,547

HAIL STORMS DURING 1977

Richland County reported the first loss on May 17. Intermittent storms were reported until September 22, with a total of 34 days with reported hail throughout the state. June and July each had 9 days of reported hail.

ADJUSTMENT OF LOSSES

There were 299 loss claims filed with the State for the 1977 season. Appreciation is expressed from the State Hail Board and the Administrative staff to participating County Assessors, Treasurers and to the adjusters for a job well done.

REFUND — INCREASE LIMITS

The majority of our policyholders would like to see an increase in our present limits. Therefore, the State Board of Hail Insurance did not declare a refund for the 1977 season. An actuary is in the process of compiling data to arrive at a recommended increase in hail insurance limits for 1978. Your County Assessors will be advised of any change for the coming season.

DOUBLE HAIL INSURANCE

When insured with the State and any other insurance company, always send in a loss claim to the State Board of Hail Insurance.

LATE REPORTED LOSSES

Loss claims received after October 1st will no longer be accepted by the State. This policy was made because of the difficulty in adjusting after this date. **Report your loss promptly.**

PAYMENTS TO COUNTIES AND STATE

Section 82-1511 R.C.M., 1947 provides a payment of 1% of the gross annual levies collected by individual counties to be made to the County Treasurers and 2% to the State Treasurer. Approximate payments of \$9,494.68 will be pro rated to the various counties participating in the State Hail Insurance Act. Payment to the State Treasurer is anticipated to be approximately \$18,989.36.

INVESTMENTS

Amount		Int. RATE	MATURITY DATE	INTEREST RECEIVED
\$ 200,000.00	FLB	6¾ %	10/20/77	\$ 12,700.00
350,000.00	Firestone Tire & Rubber	7½ %	10/15/01	25,550.00
1,698,969.62	STIP	*6.79%	Optional	78,888.61
\$2,248,969.62	TOTAL INVESTMENTS	TOTAL INTEREST		\$117,138.61 RECEIVED

*Average Interest Rate for Total Amount Invested in Short Term Investment Pool (STIP)



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1977 SUMMARY — RISK, LEVY & LOSS RATIOS

County	1977 Risk	1977 Levy	1977 Losses	Risk Vs. Loss Ratio	Levy Vs. Loss Ratio
Big Horn	\$ 280,029.00	\$ 29,030.62	\$ 22,348.27	7.9%	76.9%
Blaine	242,809.50	24,440.14	655.62	.2%	2.6%
Broadwater	11,760.00	677.38	360.00	3.0%	53.1%
Carter	40,874.00	4,100.64	57.60	.1%	1.4%
Cascade	58,027.00	4,276.59	1,122.24	1.9%	26.2%
Chouteau	1,201,172.17	88,414.18	15,610.13	1.2%	17.6%
Custer	2,400.00	240.00	—	—	—
Daniels	387,569.00	30,701.68	—	—	—
Dawson	213,061.70	21,104.72	1,094.76	.5%	5.1%
Fallon	261,114.90	26,116.06	9,513.68	3.6%	36.4%
Fergus	948,823.23	97,863.55	80,708.99	8.5%	82.4%
Garfield	246,293.00	22,682.96	18,052.83	7.3%	79.5%
Glacier	45,254.00	3,009.20	3,096.00	6.8%	102.8%
Golden Valley	41,282.10	4,141.28	—	—	—
Hill	510,250.00	40,638.26	3,242.66	.6%	7.9%
Jefferson	3,436.80	197.96	—	—	—
Judith Basin	488,345.08	50,673.94	1,329.13	.2%	2.6%
Lewis & Clark	9,123.00	544.78	—	—	—
Liberty	628,311.66	50,988.49	1,555.20	.2%	3.0%
McCone	1,181,857.00	118,417.38	36,303.84	3.0%	30.6%
Petroleum	3,700.00	323.23	417.60	11.2%	129.1%
Phillips	228,024.35	18,902.69	—	—	—
Pondera	238,326.00	16,942.30	2,192.70	.9%	12.9%
Powder River	159,695.00	15,937.66	13,055.72	8.1%	81.9%
Prairie	162,880.50	16,217.28	2,943.28	1.8%	18.1%
Richland	807,272.22	81,383.01	83,187.05	10.3%	102.2%
Roosevelt	225,308.00	17,753.26	3,804.72	1.6%	21.4%
Rosebud	47,686.00	4,405.51	5,983.92	12.5%	135.8%
Sheridan	806,897.00	64,195.44	7,674.60	.9%	11.9%
Stillwater	68,056.00	6,132.52	261.00	.3%	4.2%
Teton	552,010.00	34,285.62	11,566.54	2.0%	33.7%
Toole	168,930.00	13,292.90	1,062.36	.6%	7.9%
Treasure	23,673.00	2,414.94	4,401.23	18.5%	182.2%
Valley	297,134.00	29,758.44	1,401.60	.4%	4.7%
Wheatland	6,720.00	645.12	—	—	—
Wibaux	77,230.00	6,942.75	2,893.20	3.7%	41.6%
Yellowstone	17,344.00	1,675.52	—	—	—
TOTALS	\$10,692,679.21	\$949,468.00	\$335,896.47	3.1%	35.3%

60 YEAR SUMMARY

Total Risk Written	\$1,791,174,137.49
Premium Charge	25,729,951.57
Losses Paid	18,112,414.35
Policies Issued	118,024
Total Acres Insured	28,595,209.8
Average Acres Per Policy	242
Loss Ratio	70.3
Number Losses Paid	24,528

EXPENDITURES FOR FY '77

Personal Services	\$ 79,065.76
Operations	9,436.30
Losses	335,896.47
Payments to County & State Treasurers	38,969.02
	\$463,367.55

FUND BALANCES

Hail Insurance Agency Fund Account	\$ 59,699.74
Hail Insurance Administrative Account	\$ 65,825.43

HOW TO GET HAIL INSURANCE

APPLY TO THE ASSESSOR OF THE COUNTY IN WHICH YOUR GRAIN IS GROWING

Any Owner of Mortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A policy will be issued and a lien on his crop will be filed with the clerk and recorder.

Any Owner of Unmortgaged Land With Not More Than One Year of Delinquent Tax may secure hail insurance and have it charged to his land along with his other real estate taxes. A lien will not be filed with the county clerk and recorder.

Any Tenant desiring hail insurance may secure it by contacting his county assessor. The policy will be approved on a personal assessment basis and an attached lien on his crop will be filed with the county clerk and recorder. This lien will be a first lien on the crop except for one given for the purchase of seed used in planting and producing the insured grain.

Any Tenant who owes for delinquent hail insurance will not receive further hail insurance unless he pays cash for it or unless he pays the delinquent account.

No hail insurance may be charged to any land without the owner's consent. Also no hail insurance may be charged to any lands other than those on which the crops to be insured are growing.

A hail insurance lien is the first lien on all insured crops. Except liens given for the purchase of seed used to plant the insured crops.

4% Discount Will be Given Those Who Pay Cash for Their Hail Insurance. For example, if the regular premium figures \$100 and the applicant offers cash for the hail insurance, the county assessor will receive \$96 as full payment.

When To Insure. Experience shows that placing hail insurance on growing crops should not be done until they show a reasonable chance of producing a fair return. **No allowance will be made for hail damage on any grain until at least 75% of the plants are plainly stemming.** Damage early in the hail season is difficult to estimate and adjustment may be delayed until the extent of the damage may be better estimated. **No policies will be issued after August 15th.**

How Much Hail Insurance Per Acre. All non-irrigated grain may be insured for not more than \$12 except barley and rye which is limited to \$10. Irrigated grain is limited to not more than \$24 except Barley and Rye which is limited to \$20.

Hail Insurance on Special Crops. Not more than the amounts shown below may be carried per acre on the crops listed:

Irrigated beans, peas, potatoes, corn, mustard and alfalfa seed	\$24.00
Sugar Beets	\$50.00
Non-irrigated rape, safflower, mustard, beans, peas, alfalfa seed and corn	\$12.00
Any hay crop, irrigated or non-irrigated	\$12.00

Hail Liability will continue in force on grain after it has been bound, shocked or windrowed until the insured has had a reasonable time to complete threshing or combining.

Hail Insurance for Shareholders. If all shareholders in any crop desire hail insurance, each is limited in his share per acre in proportion to the share each owns of the whole crop. If other shareholders do not desire hail insurance any shareholder may insure his share for the limit allowed per acre.

When Not to File Loss Claims. Each year a larger number of loss claims are filed where little or no hail loss can be found. A careful examination may show a little damage by hessian fly or wheat stem maggot. Or maybe kinked heads or wheat stem sawfly. This damage was overlooked before the storm and was increased by the strong winds accompanying it. None of it is caused by hail. Examination of these fields cost your hail department a lot of unnecessary expense which can be saved by a more careful examination of the fields by the insured.

ADJUSTMENTS OF HAIL LOSSES will be made by adjusters who have had lots of experience in farming and the adjusting of hail losses. Their experience enables them to estimate the loss accurately. They are instructed to give every claim careful consideration and they will fully cooperate with the grain growers in adjusting all losses.

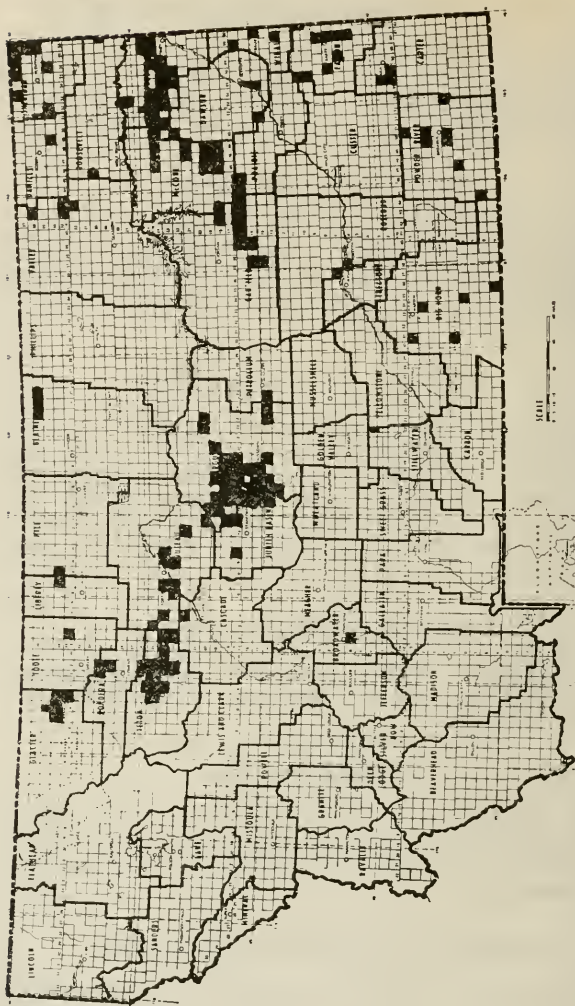
State Hail Insurance liability expires after September 15 on grain and other crops, except sugar beets which expires after September 30.

Reduced Rates in Case of Crop Failure. If any insured crop is badly damaged by other cause than hail and the value of said crop does not exceed \$5.00 per acre, you should notify the State Board of Hail Insurance in Helena promptly or you could ask your assessor for a form to make a report on. Prompt action is very important since the amount of your reduction is determined by the date on which you ask for a reduction.

When to File Claims for Hail Loss. When any insured crop is believed to be damaged at least 5%, the insured must mail a claim for such loss to the State Board of Hail Insurance at Helena, Montana, within three days. If notice of loss is not received within three days, the cost of adjustment may, at the discretion of the Board be charged to the claimant, unless the Board deems the delay excuseable.

Loss claims must be made out by the claimant and signed by him. Loss notices sent in by the assessor and signed by him cannot be accepted.

Your assistance in promptly reporting losses is earnestly solicited.



The shaded areas on this map show the location of all state loss claims filed for the 1977 season.

It is the duty of county assessors to furnish grain growers with full information on state Hail Insurance. This pamphlet is issued for the purpose of helping them do so. It furnishes full information on the operations of the State Hail Insurance Division.

Hail Insurance Is a Necessary Cost of Raising Grain

As soon as your crops show a prospect of a fair yield, you should see your assessor and apply for State Hail Insurance. This pamphlet was issued by the

STATE BOARD OF HAIL INSURANCE

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Airport Way Bldg. East—Suite #5

Helena, Mont. 59601

Telephone No. 449-3730

